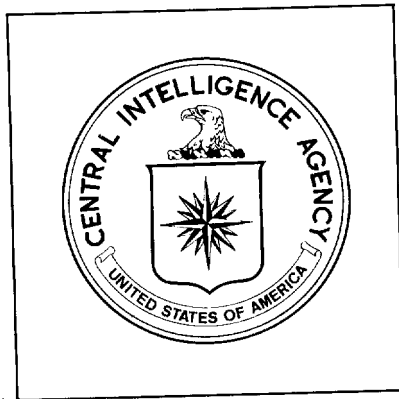


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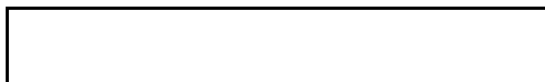
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STAFF NOTES:

Soviet Union Eastern Europe

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SOVIET UNION - EASTERN EUROPE

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Ceausescu Cancels Belgrade Trip

Romanian President Ceausescu abruptly canceled his state visit to Yugoslavia slated to begin on October 15.

Neither Bucharest nor Belgrade has officially announced the cancellation. In a statement that probably reflects his own lack of information rather than the facts, a Yugoslav diplomat in Bucharest told the US embassy on Tuesday that Belgrade is "mystified" by the Romanian decision. The Yugoslav added he had been told to attribute the cancellation to "technical and protocol reasons." Ceausescu is said to have insisted that President Tito meet him at the airport, a unique courtesy that the Yugoslav leader had extended to President Ford. Tito reportedly refused despite the Romanian contention that Ceausescu is Tito's "closest ally."

The Yugoslav also claimed that the two sides could not agree on a joint declaration of principles proposed by the Romanians and on two suggested economic cooperation agreements. Meanwhile, the Belgrade correspondent for the Middle East News Agency reports well-informed sources as saying the visit is not likely to be rescheduled soon.

Strains in the relations of both countries with Moscow are more likely to have caused the cancellation than the alleged bilateral difficulties. The Soviets are undoubtedly annoyed that Belgrade and Bucharest are working to improve their relations with Peking. The Romanians, who are the more vulnerable to Soviet pressure, probably decided to play it safe rather than risk further friction with the Kremlin.

Unlike the Yugoslavs, the Romanians, who are members of the Soviet alliance system, may have felt

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it more prudent not to flaunt their increasingly close ties with nonaligned Yugoslavia. Moreover, within the month the Romanians must consider how to thwart Soviet efforts at the CEMA summit meeting to gain greater integration of the members' economies; Bucharest must also conclude difficult negotiations of a new five year economic cooperation agreement with the Soviets.

The cancellation may stem directly from two visits to Bucharest earlier this month--one by Soviet party secretary Katushev, the other by Stane Dolanc, Tito's chief representative in party affairs. Both men met with essentially the same high-ranking Romanians, including Ceausescu. The Romanian participants in these meetings suggest that major items under discussion included differences with Moscow over the proposed conference of European Communist parties, the CEMA summit, and Romanian-Chinese relations. A central committee staffer of the Romanian party early this month said that Bucharest's good relations with Peking are by far Bucharest's number one problem with Moscow. The unprecedentedly large number of Romanian officials--including party, state, military, and intelligence personnel--to visit China last month has undoubtedly added to Soviet-Romanian strains.

The Dolanc-Ceausescu discussions, which received plaudits in the Romanian press, could have served as a substitute for a Romanian-Yugoslav summit until both sides feel circumstances are more opportune for a Ceausescu-Tito meeting. Dolanc, as Tito's chief lieutenant, is eminently well-qualified to discuss major issues in bilateral relations. At Tito's behest, Dolanc also met Ceausescu in late January. Now as then, there is no evidence of stress in Yugoslav-Romanian relations.

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Council of Ministers
Re-examines Five Year Plan

The USSR Council of Ministers has met for the second time in four months to discuss the next five year economic plan (1976-80). Plan drafts will apparently be reworked to conform to new instructions from the party's Central Committee and General Secretary Brezhnev.

The Council of Ministers discussed the plan on June 10 and issued guidelines for further work, referring to Politburo decisions and directives from Brezhnev. On October 13, Premier Kosygin reported to the Council of Ministers on progress in drafting the plan. A press statement suggests that in his report he outlined the new tasks set by the Central Committee and Brezhnev, but it does not reveal the direction the revisions will take. It does note that additional work on the 1976 plan is needed to improve production efficiency, welfare, the development of agriculture, and the output of consumer goods.

Soviet officials say that formulation of the five year plan is behind schedule, according to the US embassy in Moscow. They cite several problems complicating the process: the unexpectedly large expenditures of hard currency this year for grain and other imports, disagreement over industrial reorganization, regional lobbying for new projects, and efforts to shift somewhat from quantitative to qualitative goals in production.

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Past Party Congresses and the 25th

A Soviet party congress is scheduled for next February. It will be the 25th in the party's history and the third presided over by General Secretary Brezhnev. It is already beginning to occupy the attention of party figures, high and low.

Party congresses have varied greatly over the years in character and in significance.

The 19th Congress in 1952--the last under Stalin's leadership--laid a groundwork for a generational change in the top leaders. The groundwork did not hold up when the dictator died six months later, and his heirs were left to quarrel over Soviet policies and their own hierarchical positions.

The 20th Congress in 1956 launched Nikita Khrushchev's de-Stalinization campaign; its impact is still being felt throughout the communist movement.

The 21st Congress in 1959 sank without a ripple. The 22nd Congress in 1961, among other things, approved a visionary party program, mapping out the stages toward communism in the following decades.

The 23rd Congress, in 1966, consolidated the position of the new team and swept the Stalin problem under the rug, settling for a narrowly limited "rehabilitation" of the man who had led the party for nearly 30 years.

The 24th in 1971 was keynoted by pledges of continuity.

The two congresses held thus far under the current Kremlin leadership have been businesslike, as promised by the men who ousted Khrushchev for "hare-brained schemes," and therefore relatively drab.

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The 25th could well follow in this pattern, but there will be pressures for change. Even if the 25th simply offers more of the same, its promise of continuity would be fragile, for another change of generations loom in the Kremlin.

The average age of the Politburo--the party's steering committee--is 71, and more than half of them will probably leave the scene within the next few years.

The General Secretary and his unofficial deputy, Andrey Kirilenko, are approaching 70. Mikhail Suslov, the party ideologist is 72. Premier Kosygin is 71, President Podgorny is 72, and Minister of Defense Grechko is 71.

These five seniors, along with Minister of Foreign Affairs Gromyko (66) and KGB Chairman Andropov (61) function as a small inner collective within the Politburo. There is little or no devolution of authority to the juniors on the Politburo.

Among the juniors--a relative term at best--are able men already on the Politburo, as well as others waiting on the threshold. None of them has established a special claim to consideration as a contender for a position at the top.

If the Soviets wish to achieve the first smooth succession in their history, serious collective planning will have to begin soon. There is no sign of such planning.

Brezhnev and others have shown interest in giving the 25th congress--probably Brezhnev's last--a special character that would put their stamp on the party future.

Brezhnev, until this year, was urging the approval of a 15-year economic plan (1976-90). The drafting of such a plan would present planners with

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horrendous technical problems and engage the top leaders in political controversy. (The idea may have been dropped; at least it has been mentioned publicly by a Soviet leader only once this year, and that one reference was censored out of *Pravda*.)

Brezhnev is also on the public record with a promise that a draft of a new constitution would be published in time for the 25th congress.

The congress will be asked to approve a new five year plan (1975-80). It may take up other unfinished business like the proposed reorganization of management in both industry and agriculture.

Each of these matters has implications for foreign and domestic policies, and bureaucratic empires are at stake. Reaching agreement in the Politburo will not be easy, and Brezhnev, the chairman of the board, will have a busy fall.

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Soviets Mount Anti-Sakharov Campaign

The Soviet media campaign condemning the Nobel peace award to Andrey Sakharov picked up steam yesterday with the first domestic press blast at the dissident physicist. The attack by the writers union weekly *Literary Gazette*, which was given official emphasis by its distribution through Tass, called Sakharov a "hater of peace" and his Nobel award a part of a plot by "imperialist reaction" to sabotage detente.

The campaign may well reach a crescendo this weekend, to coincide with the scheduled session in Copenhagen of an international "Sakharov hearing" on human rights in the USSR; Moscow has so far been silent on this event.

The name-calling may also be laying the groundwork for either disallowing Sakharov's wish to go to Oslo, or, if permission is granted, preventing his return home. Dissident sources in Moscow reportedly believe that Sakharov, in time, may be offered a one-way ticket abroad, and that, like exiled writer Aleksandr Solzhenitsyn, who won the 1970 Nobel literature prize, he will refuse to go without a guaranteed return home. So far, the orchestration of the anti-Sakharov campaign is strikingly similar to that mounted against Solzhenitsyn five years ago.

The Kremlin's decision on how to handle Sakharov's case, which is likely to be made at the Politburo level, will be even more difficult now that prominent, non-dissident scientist Leonid Kantorovich has been named co-recipient of the 1975 Nobel prize for economics. The leadership may find it perplexing, but not impossible, to charge the Nobel officials with playing politics in Sakharov's case, while recognizing in Kantorovich--a Lenin prize winner--the work of a

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major, establishment scientist. The Nobel peace prize and the economics prize are to be awarded on December 10 in Oslo and Stockholm, respectively.

Sakharov, meanwhile, has told Western reporters that he believes the award will benefit the cause of human rights in the USSR, and has renewed his call for a general amnesty for political prisoners. Referring to the CSCE agreements, Sakharov said that his Nobel prize should give impetus to an "international crusade" for human rights in the Soviet Union. He added that it would "violate the spirit of detente" if he were not allowed to go to Oslo.

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European Communist Conference
Preparations Continuing

Senior European Communist officials, meeting in East Berlin last week, apparently agreed at a minimum to keep preparations for a conference of European parties moving. The brief, vaguely phrased communique suggests, however, that serious differences remain to be settled.

In the latest meeting, called after a three-month recess of the conference preparations, the party secretaries reportedly discussed a new, shorter East German draft of the final conference document. The content of this draft is not yet known, and the independent-minded parties, such as the Yugoslavs and Italians, have not yet commented on it. A shortened document, however, is obviously intended to eliminate, or at least reduce, areas of controversy that have bedeviled conference preparations so far. Perhaps over-optimistically, the party secretaries have set next month as the target date to complete work on the concluding document.

In an effort to keep the ball rolling, Moscow and its allies have resumed their propaganda extolling the Soviet role as the "nucleus of the socialist community" and pledging a "successful" European Communist conference that will strengthen communism everywhere on the basis of "Marxism-Leninism and proletarian internationalism."

This unilateral definition of the conference purpose, thoroughly unacceptable to the independent-minded parties, may serve as a substitute for a concluding conference document reflecting Moscow's views. If Moscow is indeed reconciled to this approach, its aim now will be simply to get the conference convened with as many attendees as possible. The Soviets would then attempt through unilateral statements by themselves and their allies to portray the conclave as a Soviet triumph and a demonstration of Moscow's primacy in the movement.

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Kebin Speaks Out on
Long-Term Development of Estonia

Estonian party boss Kebin has written an article in the leading Estonian theoretical journal, *Kommunist Estonii*, presenting in a markedly contentious vein his views on the future economic development of the republic. His message seems to be addressed to Moscow. There is a hint that he is unhappy with the way the next five year plan is shaping up and concerned that Estonia's interests may be slighted.

The article was written this spring at a time when basic guidelines for the next five year plan were apparently being thrashed out in Moscow. The article was signed for the press on May 22. Three weeks later, on June 10, the Soviet press reported that the USSR Council of Ministers had met to approve a draft outline of the 1976-80 plan. Kebin's article is the first public intimation that we have seen of wrangling over the plan, but it is not surprising the Estonian leader should have been out in front. He has long been one of the most outspoken of party officials and other regional leaders have undoubtedly been engaged--and are probably still engaged--in similar lobbying efforts behind the scenes.

Kebin's main objective was apparently to justify higher economic growth rates for Estonia and to make a case for channeling capital investments into the light industries and the food industries. This seems the only explanation for Kebin's extraordinarily defensive treatment of Estonia's high per capita output and standard of living (along with Latvia, the highest in the USSR). He goes to such lengths to play down the significance of these indicators that he raises the suspicion that officials in Moscow and elsewhere were citing Estonia's high level of economic development as a reason for holding down investment in the republic.

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Kebin argues that the indicators used in the USSR for evaluating production tend to inflate the value of the output of precisely those sectors of the economy that predominate in Estonia. Thus, he argues, per capita production figures can be misleading. Furthermore, he claims, the structure of the population in Estonia is not the same as the average republic. Estonia, for example, has a larger proportion of able-bodied people. "It is therefore only natural," he maintains, "that the per capita production and consumption indicators for Estonia are somewhat higher than the average for the country as a whole."

On the subject of the industrial development of the republic, Kebin comes out strongly against the construction of any new big enterprises, citing the labor shortage in the area as the reason. "Such enterprises," he states, "should be considered only on an exceptional basis." Here and elsewhere in the article he treats the local labor shortage as an immutable fact of life. Nowhere does he suggest recruiting surplus labor from other republics. This practice, common in years past, was highly unpopular among native Estonians.

Kebin also discusses the shale-oil extraction industry--another controversial matter. Many Estonians believe that the republic is being forced to supply neighboring regions, such as Leningrad, with energy and that its only return is more Russians to work the mines and irreversible environmental degradation. Kebin states that rising costs and the rapid depletion of the shale-oil deposits forced a decision in the 1960s to slow down production. His lengthy arguments in favor of that decision leave the impression, however, that it may be in danger of coming unstuck, that officials in Moscow, faced with difficulties in meeting growing energy demands, may be taking a second look at Estonia's shale-oil resources.

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"In the more distant future when oil and natural gas deposits become exhausted," Kebin concedes, "shale could be used extensively." In the meantime, he recommends concentrating on research to improve processing methods. He would apparently also like to see more of the oil that is extracted go into producing fertilizer.

Kebin ends his article on a slightly boastful note. In the new era of "cost accounting" in the USSR, he says, Estonia's books are "balanced." The republic is able to finance its economic development out of income created in the republic and the cost of necessary imports are covered by its exports to other republics.

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